



DEPARTMENT OF THE TREASURY  
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND  
601 THIRTEENTH STREET, NW, SUITE 200 SOUTH  
WASHINGTON, DC 20005

## **Kentucky**

### **Appalbanc (1996 CDFI)**

Location: Berea, Kentucky  
Award: \$1.33 million (\$370,000 grant, \$930,000 loan and \$30,000 technical assistance)  
Type: multi-faceted community development financial institution  
Service area: 85 Appalachian counties of Kentucky, Tennessee, West Virginia and Virginia  
Products: housing development loans; small business loans and consumer loans  
Contact: Mr. David L. Lollis - (606) 986-8423

Appalbanc, a multi-faceted community development financial institution, serves extremely distressed rural Appalachian communities in a 85 county area of Kentucky, Tennessee, West Virginia. and Virginia. The entity was formed in 1994 to bring together three community development organizations under one umbrella. Appalbanc coordinates the activities of a housing loan fund a community development credit union, and a small business loan fund. Appalbanc through its affiliates, has financed the development or rehabilitation of more than 20,000 homes. Appalbanc has launched a new initiative to attract investment to this distressed region through partnerships with state Housing Finance Agencies. The CDFI Fund will strengthen Appalbanc's capacity to finance affordable housing by providing \$1.33 million in assistance

### **Mountain Association for Community Economic Development, Inc. (1998 CDFI-Tech Asst)**

Location: Berea, Kentucky  
Award: \$25,000 technical assistance grant  
Type: Business Loan Fund  
Contact: Paula Bowman - (606) 986-2373

Mountain Association for Community Economic Development, Inc., (MACED) of Berea, Kentucky, was awarded a \$25,000 technical assistance grant from the CDFI Fund. Organized in 1976, MACED provides loans and equity investments to local entrepreneurs and business developers in Eastern Kentucky and central Appalachia. Support from the CDFI Fund will assist MACED in strengthening its equity investment program. Funds will be used to provide training to staff in venture capital investments and to organize an investment advisory committee.

### **Farmers National Bank (1998 BEA)**

Location: Cynthiana, Kentucky  
Award: \$85,250  
Contact: Ed Purdom, Jr. - (606) 234-3100

Farmers National Bank of Cynthiana, Kentucky, was awarded \$85,250 for making a \$775,000 loan to Community Ventures Corporation to be used to purchase single-family housing units for low-income homebuyers in target areas. Farmers National Bank is a national bank with total assets of over \$75 million.

### **Central Appalachian Peoples Federal Credit Union (1997 CDFI-Core)**

Location: Berea, Kentucky  
Award: \$575,000 (\$425,000 grant, \$100,000 loan and \$50,000 technical assistance)  
Type: Credit Union  
Contact: Mr. Marcus Bordelon - (606) 986-8423

Central Appalachian Peoples Federal Credit Union, based in Berea, Kentucky is a community development credit union that provides a full range of products and development services for its members in the rural Appalachian region of Kentucky, Tennessee, Virginia and West Virginia with a special focus on a Federal rural empowerment zone. Central Appalachian Peoples Federal Credit Union works with its affiliates and other nonprofit community organizations to provide consumer financial services to its members. During 1995 and 1996, it averaged 730 loans with a dollar volume of about \$2 million. A \$425,000 grant, a \$100,000 loan and a \$50,000 technical assistance grant from the Fund will be used to help capitalize a new branch, build lending capacity, and establish a government guaranteed secondary market and home lending program.

### **Mountain Association for Community Economic Development (1999 CDFI - Tech Asst)**

Location: Berea, Kentucky  
Award: \$50,000  
Type: Business Loan Fund  
Contact: Ms. Paula Bowman - (606) 986-2373

Mountain Association for Community Economic Development (MACED) of Berea, Kentucky was formed in 1976 to improve the living conditions of low-income and unemployed people throughout the forty-nine county Appalachian region of eastern Kentucky. MACED provides financing and technical assistance to business start-ups and expansion to its target market. The technical assistance award will be used for staff training and to purchase computer equipment.

### **Community Ventures Corporation (1997 CDFI - Core)**

Location: Lexington, Kentucky  
Award: \$350,000 grant  
Type: Business Loan Fund  
Contact: Mr. Kevin R. Smith - (606) 231-0054

Community Ventures Corporation (CVC), of Lexington, Kentucky, provides loans to small businesses and microenterprises throughout the Kentucky Bluegrass region. CVC also provides loans for downpayments and closing costs and for a lease-purchase program targeted to low income first time homebuyers. The CDFI Fund grant of \$350,000 will help CVC fill a crucial gap in access to capital for residents of Lexington and surrounding rural areas. CVC also plans to expand its business lending products to focus on increasing the job creation impacts of its services and lending.

#### **(1999 CDFI-Core)**

Award: \$1,000,000  
Type: Housing/Facilities Loan Fund  
Contact: Kevin R. Smith - (606) 231-0054

Established in 1982, Community Ventures Corporation (CVC) is a non-profit, community-based organization dedicated to improving the quality of life for urban and rural residents of the Bluegrass Region of central Kentucky. Its loan products include microenterprise loans and homeownership loans. The CDFI Fund's \$1,000,000 capital grant will help CVC to launch two new loan products: a small business loan product and a nonconforming first mortgage housing loan product.

**(1999 CDFI - Tech Asst)**

Award: \$50,000  
Type: Business Loan Fund  
Contact: Kevin R. Smith - (606) 231-0054

Community Ventures Corporation (CVC) is a non-profit community-based organization dedicated to improving the quality of life for urban and rural residents of central Kentucky's Bluegrass Region. Its programs emphasize business ownership; home ownership and developing access to credit and savings. The technical assistance grant will be used by CVC to more efficiently and effectively manage its operations. Specific uses include: to track and document the impact of its activities on its target market; to review and refine its risk management and management reporting systems; to conduct board training; and to develop a marketing strategy to reach its new rural markets.

**Vine Street Trust Company (1996 BEA)**

Location: Lexington, Kentucky  
Award: \$55,000

Rewarded Activities

Vine Street Trust Company was awarded \$55,000 for making a \$500,000 loan to Community Ventures Corporation (CVC) to serve Lexington's highest poverty area. Vine Street Trust Company and CVC will serve this area by focusing on helping low-income people access financing for affordable housing.

Post Award Activity

Vine Street Trust Company has decided to pass the award on to CVC to serve as a loan loss reserve and to cover a portion of CVC's operating overhead expenses.

**(1998 BEA)**

Award: \$8,250  
Contact: F. Lee Hess - (606) 281-2123

Vine Street Trust Company of Lexington, Kentucky, was awarded \$8,250 for providing Community Ventures Corporation, a certified CDFI, with a grant of \$55,000 to be used to support a mortgage lending program. Vine Street Trust Company is a thrift savings bank with total assets of \$182 million.

**Kentucky Highlands Investment Corporation (1996 CDFI)**

Location: London, Kentucky  
Award: \$450,000 grant  
Type: community development venture capital fund  
Service Area: nine rural county area of Appalachian southeast Kentucky  
Products: equity investments in manufacturing corporations  
Contact: Mr. L. Ray Moncrief - (606) 864-5175

Kentucky Highlands has changed the lives of thousands of Appalachian residents in its highly distressed nine-county market area over the past 28 years. The nine rural counties have a staggering poverty rate ranging from 30% to 45%. As a venture capital fund, Kentucky Highlands provides critical capital and hands on support needed to create jobs and businesses in its severely depressed rural community. The institution's \$40 million in risk capital investments have generated 5,200 jobs -- accounting for 40% of all manufacturing jobs in the region and 6% of the area's total labor force. The CDFI Fund's \$450,000 grant to Kentucky Highlands will provide flexible resources to enhance its investment capacity.

**(1999 CDFI-Core)**

Award: \$1,200,000  
Type: Venture Capital Fund  
Contact: Brenda McDaniel - (606) 864-5175

Founded in 1968, Kentucky Highlands Investment Corporation (KHIC) is a community development venture capital fund that creates jobs by investing in businesses located within nine distressed counties in southeast Kentucky. The CDFI Fund's \$1,200,000 capital grant will be used to leverage significant outside investment in KHIC and to enhance the organization's volume of new investment activity.

**Bank of Louisville (1996 BEA)**

Location: Louisville, Kentucky  
Award: \$15,000

Rewarded Activities

Bank of Louisville was awarded \$15,000 for making an equity investment of \$ 100,000 in the Louisville Development Bancorp. The Louisville Development Bancorp is a newly-established community development bank corporation and a certified CDFI that seeks to revitalize the Louisville Enterprise Community and surrounding neighborhoods.

Post Award Activity

Bank of Louisville plans to use its award to benefit the Louisville Development Bancorp in the form of a grant to its non-profit subsidiary.

**Bank One Kentucky, NA (1999 BEA)**

Location: Louisville, Kentucky  
Award: \$11,000  
Contact: Kathi Whalen - (502) 566-8148

Bank One Kentucky of Louisville, Kentucky received an award of \$11,000 for making a below market-rate deposit of \$100,000 into the Louisville Community Development Bank, a certified Community Development Financial Institution (CDFI). Louisville Community Development Bank's mission is to stimulate economic growth by making business loans, real estate development loans, home improvement loans, and single-family acquisition and rehabilitation loans to entities either located within or having a direct impact upon distressed communities within the city of Louisville. The awardee is a national bank with total assets of \$5.5 billion.

**Commonwealth Bank & Trust Company (1999 BEA)**

Location: Louisville, Kentucky  
Award: \$11,000  
Contact: Garnett Furnish - (502) 244-7700

Commonwealth Bank & Trust Company of Louisville, Kentucky received an award of \$11,000 for making a below market-rate deposit of \$100,000 into the Louisville Community Development Bank, a certified Community Development Financial Institution (CDFI). The Louisville Community development Bank's mission is to stimulate economic growth by making business loans, real estate development loans, home improvement loans, and single-family acquisition and rehabilitation loans to entities either located within or having a direct impact upon distressed communities within the city of Louisville. Commonwealth Bank is a state-chartered bank with total assets of \$227.0 million.

**First Capital Bank of Kentucky (1999 BEA)**

Location: Louisville, Kentucky  
Award: \$16,500  
Contact: Robin D. Graf - (502) 891-4406

The First Capital Bank of Kentucky of Louisville, Kentucky received an award of \$16,500 for making deposits totaling \$150,000 into the Louisville Community Development Bank, a Community Development Financial Institution (CDFI). Louisville Community Development Bank's mission is to stimulate economic growth by making business loans, real estate development loans, home improvement loans, and single-family acquisition and rehabilitation loans to entities either located within or having a direct impact upon distressed communities within the city of Louisville. First Capital Bank is a state-chartered bank with total assets of \$138.0 million.

**Great Financial Bank (1996 BEA)**

Location: Louisville, Kentucky  
Award: \$22,500

Rewarded Activities

Great Financial Bank was awarded \$22,500 for making an equity investment of \$150,000 in the Louisville Development Bancorp. The Louisville Development Bancorp is a newly established community development bank corporation that seeks to revitalize the Louisville Enterprise Community and surrounding neighborhoods.

Post Award Activity

Great Financial Bank has used its award to benefit the Louisville Development Bancorp in the form of a grant to its non-profit subsidiary.

**Louisville Community Development Bank (1999 BEA)**

Location: Louisville, Kentucky  
Award: \$623,149  
Contact: Melody Samuels-Hills - (502) 775-2562

Louisville Community Development Bank of Louisville, Kentucky, a certified Community Development Financial Institution (CDFI), received an award of \$623,149 for increasing its single-family mortgage, multi-family mortgage, and small business lending in distressed communities within Louisville. In addition, Louisville Community Development Bank provided \$900,000 in deposits to four other CDFIs, including: Blackfeet National Bank, City First Bank of D.C., Douglass National Bank, and Neighborhood National Bank. The awardee is a state-chartered bank with total assets of \$30.4 million.

**Louisville Development Bancorp (1996 CDFI)**

Location: Louisville, Kentucky  
Award: \$2,336,500.00 (\$2 million equity investment and \$336,500 technical assistance)  
Type: community development bank holding company  
Service area: Louisville, Kentucky, west side and other selected neighborhoods  
Products: small business loans, housing loans and development, enterprise development  
Contact: Ms. Kim M. Burse - (502) 778-4000

In a bold approach to revitalize distressed Louisville neighborhoods, public and private sector leaders joined with community leaders to spur the formation of a comprehensive community development bank holding company. Through a strategic plan to revitalize inner city Louisville, it will serve an investment area composed of most of Louisville's low-income neighborhoods. The investment area includes

Louisville's Enterprise Community as well as the largest concentration of African-American residents in Kentucky. The holding company will have three subsidiaries: a full service bank, with a focus on small business lending, home improvement loans and mortgages for multi-family development, and which can leverage its equity many times over with deposits; a real estate development company with emphasis on single family new construction and rental housing development; and, a nonprofit enterprise development center designed to foster small business development and entrepreneurial initiatives by area residents through training and specialized financial products and creating linkages between labor force training efforts and area employers. Equity from the CDFI Fund is expected to play a central role in helping to raise the capital necessary to launch this important new effort.

### **National City Bank of Kentucky (1996 BEA)**

Location: Louisville, Kentucky  
Award: \$37,500

#### Rewarded Activities

National City Bank of Kentucky was awarded \$37,500 for making an equity investment of \$250,000 in the Louisville Development Bancorp, a certified CDFI. The Louisville Development Bancorp is a newly established community development bank corporation that seeks to revitalize the Louisville Enterprise Community and surrounding neighborhoods.

#### Post Award Activity

National City Bank of Kentucky has used its award to benefit the Louisville Development Bancorp in the form of a grant to its non-profit subsidiary.

### **PNC Bank, Kentucky, Inc. (1996 BEA)**

Location: Louisville, Kentucky  
Award: \$75,000

#### Rewarded Activities

PNC Bank, Kentucky, Inc. was awarded \$75,000 for making an equity investment of \$500,000 in the Louisville Development Bancorp. The Louisville Development Bancorp, a certified CDFI, is a newly established community development bank corporation that seeks to revitalize the Louisville Enterprise Community and surrounding neighborhoods.

#### Post Award Activity

PNC Bank, Kentucky, Inc. donated its award to the LCDB Enterprise Group, a non-profit affiliate of the Louisville Community Development Bancorp. The grant will help fund a business center to assist new and emerging small businesses in western Louisville.

### **(1999 BEA)**

Award: \$176,000  
Contact: Leonard Watkins - No Phone

PNC Bank, NA of Louisville, Kentucky received an award of \$176,000 for providing financial support to three certified Community Development Financial Institutions (CDFI's): Louisville Community Development Bank, Local Initiatives Support Corporation, and Community Loan Fund of Southwest Pennsylvania. The CDFIs are located in and serve distressed communities in the states of Kentucky, New York, and Pennsylvania. The awardee is a national bank with assets of \$68.3 billion.

### **Republic Bank & Trust Company (1997 BEA)**

Location: Louisville, Kentucky  
Award: \$1,100  
Contact: Garry Throckmorton - (502) 561-7159

Republic Bank & Trust Company, of Lexington, Kentucky, was awarded \$ 1, 100 for making a \$10,000 loan to Community Ventures Corporation, a certified CDFI. The CDFI will use the funds as a first advance on its Lease/Purchase Housing Program through which low-income individuals will lease or purchase single family properties.

**(1998 BEA)**

Award: \$118,140

Contact: Garry Throckmorton - (502) 561-7159

Republic Bank and Trust, located in Louisville, Kentucky, was awarded \$118,140 for providing a loan to Community Ventures Corporation, a certified CDFI. The purpose of the loan was to provide funds to CVC to purchase single-family housing units for lease and ultimate sale to low-income homebuyers. Republic Bank and Trust is a thrift savings bank with total assets of over \$1 billion.

**Stock Yards Bank & Trust Company (1996 BEA)**

Location: Louisville, Kentucky

Award: \$3,750

Rewarded Activities

Stock Yards Bank & Trust Company was awarded \$3,750 for making an equity investment of \$25,000 in the Louisville Development Bancorp. The Louisville Development Bancorp is a newly established community development bank corporation, a certified CDFI, that seeks to revitalize the Louisville Enterprise Community and surrounding neighborhoods.

Post Award Activity

Stock Yards Bank & Trust Company donated its award to the LCDB Enterprise Group, the non-profit affiliate of the Louisville Community Development Bancorp. The grant will help fund a business center to assist new and emerging small businesses in western Louisville.

**The Housing Foundation Inc. (1999 CDFI - Tech Asst)**

Location: Marion, Kentucky

Award: \$50,000

Type: Housing/Facilities Loan Fund

Contact: Mr. Roger Dutschke - (502) 965-4259

The Housing Foundation, Inc. of Lexington, Kentucky is a private non-profit loan fund created to meet the affordable housing needs of low-income residents in the Commonwealth of Kentucky. It was initially established as a charitable entity focusing on providing small grants for home repair. The Housing Foundation also provides direct emergency financial intervention to prevent the loss of homes. The technical assistance award will be used to purchase computer equipment; develop a capitalization plan; and train staff in loan product development and underwriting standards and fundraising.

**Southern Kentucky Economic Development Corporation (1998 CDFI-Core)**

Location: Somerset, Kentucky

Award: \$500,000 Loan

Type: Microenterprise Fund

Contact: Gregory Jones - (606) 677-6100

Southern Kentucky Economic Development Corporation (SKEDC), a non-profit business loan fund, has provided loans to small and mid-sized businesses in its rural 40-county region since 1996. SKEDC provides services to businesses to promote economic growth and job creation and retention in this

historically distressed region of Appalachia. The CDFI Fund's investment will be used to capitalize a new loan pool to make loans to very small businesses, with an emphasis on the service and retail sectors.

**Mountain Economic Development Fund, Inc. (1998 CDFI-Core)**

Location: Winchester, Kentucky  
Award: \$250,000 Capital Grant  
Type: Business Loan Fund  
Contact: Grant G. Satterly - (606) 745-5739

Mountain Economic Development Fund, Inc. (MEDF), a non-profit business loan fund, provides a wide range of loan products to meet the needs of businesses in its rural Kentucky service area. The awardee's range from small working capital lines of credit under \$15,000 to larger loans for inventory and equipment of up to \$100,000. MEDF strives to provide flexible financing needed by local businesses. The CDFI Fund's capital grant award will be used to expand MEDF's existing business lending and create and retain jobs.